

ICD-10. COMPLIANCE DATE OCTOBER 1, 2015

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Successful ICD-10 Testing Shows Industry Ready to Take Next Step to Modernize Health Care

By Marilyn Tavenner, Administrator, Centers for Medicare and Medicaid Services.

I am delighted to announce that CMS has recently successfully completed the first week of <u>end-to-end testing</u> of new ICD-10 coding.

The International Classification of Diseases, or ICD, is used to standardize codes for medical conditions and procedures. While most countries already use the 10th revision of these codes (or ICD-10), the United States has yet to adopt this convention. Since ICD-10 codes are more specific than ICD-9, doctors can capture much more information, meaning they can better understand important details about the patient's health than with ICD-9-CM.

Approximately 660 providers and billing companies submitted nearly 15,000 test claims. This successful week of testing continues to put us on course for successful implementation of this important initiative that better reflects modern practice of medicine by Oct. 1, 2015.

Health care professionals use codes from the International Classification of Diseases—or ICD—to record their patients' health conditions and document inpatient hospital procedures.

The U.S. is the last major industrialized nation to make the switch to ICD-10. The structure of ICD-9, which is more than 35 years old, limits the number of new codes that can be created, and many ICD-9 categories are full. ICD-10 provides room for code expansion, so providers can use codes more specific to patient diagnoses. Fact sheet on ICD-10.

To promote the health care community's smooth transition from ICD-9 to ICD-10, CMS is conducting a <u>comprehensive program of testing</u>. Because ICD codes are required on medical bills, we want health care providers to be confident they can submit Medicare claims and get paid as the nation switches to ICD-10.

To that end, Medicare recently tested ICD-10 claims processing with a variety of stakeholders including health care providers, billing agencies, and equipment suppliers. Overall, participants in the January 26 to February 3 testing were able to successfully submit ICD-10 claims and have them processed through our billing systems. To the extent that some claims were rejected, most didn't meet the mark because of errors unrelated to ICD-9 or ICD-10.

Testing allows us to identify areas of improvement, and we will work with outside entities and stakeholders to improve those very small deficiencies identified. And we will continue to do testing, especially in those areas we identify as needing improvement.

We've also identified one point that's caused some confusion in the health care community and beyond. So, we are communicating far and wide that everyone must use:

- ICD-9 for services provided before the October 1 deadline
- ICD-10 for services provided on or after October 1

That means ICD-10 can be used only for test purposes before October 1. And, only ICD-10 can be used for doctor's visits and other services that happen on or after October 1. ICD-9 cannot be used to bill for services provided on or after October 1. This rule applies no matter when the claim is submitted, so claims submitted after October 1, 2015, for services provided before that date must use ICD-9 codes.

These rules and others around adopting ICD-10 apply to all health care providers, not just those who accept Medicare or Medicaid. So, like CMS, health insurance plans across the country are engaging in robust testing programs with doctors, hospitals, and other health care providers and suppliers. No major issues have emerged in the course of testing.

As the ICD-10 deadline draws near, I especially encourage medical practices and hospitals that bill Medicare to take advantage of <u>testing opportunities</u>. Beyond testing, CMS has undertaken an unprecedented level of outreach, training, and education to prepare the health care community for ICD-10. Our website <u>cms.gov/ICD-10</u>, offers many resources, including the Road to 10 tool, designed especially for small medical practices.

CMS is ready for ICD-10. And, thanks to our many partners—spanning providers, health plans, coders, clearinghouses, professional associations and vendor groups—the health care community at large will be ready for ICD-10 on October 1.

I appreciate the tremendous efforts and achievements of health professionals as we work together to realize the benefits of ICD-10 and other advances toward the

ultimate goal of improving the quality and affordability of health care for all Americans.

Keep Up to Date on ICD-10

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